

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-147-W/S - ORDER NO. 2005-386
JULY 19, 2005

IN RE: Application of Carolina Water Service,) ORDER
Incorporated for Approval of a Contract with) APPROVING
Quattlebaum Properties, LLC for Water and) CONTRACT
Sewer Service in Lexington County.)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Carolina Water Service, Inc. (CWS) for approval of a contract between it and Quattlebaum Properties, L.L.C. (the Developer) for water and sewer service to a proposed development, pursuant to 26 S.C. Code Ann. Regs. 103-541 and 103-743 (Supp. 2004). The agreement is dated April 14, 2005.

CWS' I-20 System will serve the proposed development. The agreement provides, *inter alia*, that the Developer will construct all of the necessary water and sewer facilities required to connect the proposed development to CWS' I-20 System, acquire all necessary easements and rights-of-way and convey such facilities and easements to CWS.

According to the Application, the proposed development is within CWS' Commission-authorized service area in Lexington County. No other public or governmental utility is currently authorized to serve or is serving the proposed development. Upon completion of the Developer's obligation under the contract, CWS is to provide service to the proposed development pursuant to all of the terms, conditions,

rates and charges set forth in its Commission approved rate schedule as may be in effect and on file from time to time.

Although performance of the contract is by its terms conditioned upon approval by this Commission, CWS states that approval is not required, since in its opinion, the essential terms of the agreement do not “impact, pertain to, or effect said utility’s fitness, willingness or ability to provide [water or sewer] service.” However, CWS states that, should this Commission conclude that approval of the Agreement is nonetheless required, CWS submits that the public convenience and necessity will be served by approval of the agreement. Further, CWS states that, as per S.C. Code Ann. Section 58-5-240 (G) (Supp. 2004), no hearing is required in this matter.

We believe that the better practice is to approve or disapprove a contract such as the one before us after examination for its effect on the public convenience and necessity. After a full review of the record in this case, we believe that the public convenience and necessity is served by approval of the agreement. The area to be served is within this Commission’s approved service area, and is presently without water and sewer service. The rates to be charged for water and sewer service are those approved for CWS by this Commission. We would note that nothing in opposition to the approval has been received from the Office of Regulatory Staff (ORS). Accordingly, we make the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. CWS seeks approval of an agreement between itself and Quattlebaum Properties, L.L.C. for water and sewer service to a proposed development.
2. CWS' I-20 system will serve the proposed development.
3. The Developer will construct all of the necessary water and sewer facilities required to connect the proposed development to CWS' I-20 System, acquire all necessary easements and rights-of-way and convey such facilities and easements to CWS.
4. The proposed development is within CWS' Commission-authorized service area in Lexington County. No other public or governmental utility is currently authorized to serve or is serving the proposed development.
5. Upon completion of the Developer's obligation under the contract, CWS is to provide service to the proposed development pursuant to all of the terms, conditions, rates and charges set forth in its Commission-approved rate schedule as may be in effect and on file from time to time.
6. 26 S.C. Code Ann. Regs. 103-541 and 103-743 (Supp. 2004) require Commission approval of the contract.
7. The contract in issue should be approved, since it serves the public convenience and necessity. The area to be served is presently without water and sewer service.
8. No hearing in this matter is required, pursuant to S.C. Code Ann. Section 58-5-240 (G) (Supp. 2004).

9. Because of our holding as stated above, the Motion for Summary Disposition filed by CWS is declared moot.

ORDER


The contract between Carolina Water Service, Inc. and Quattlebaum Properties, L.L.C. is approved. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice-Chairman

(SEAL)